



State of Utah

Department of
Natural ResourcesMICHAEL R. STYLER
Executive DirectorDivision of
Oil, Gas & MiningJOHN R. BAZA
Division DirectorJON M. HUNTSMAN, JR.
GovernorGARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company Dan Guy

OGM Steve Demczak Environmental Scientist III

Inspection Report

| | |
|------------------|-------------------------------|
| Permit Number: | C0070022 |
| Inspection Type: | COMPLETE |
| Inspection Date: | Wednesday, October 08, 2008 |
| Start Date/Time: | 10/8/2008 10:00:00 AM |
| End Date/Time: | 10/8/2008 2:00:00 PM |
| Last Inspection: | Wednesday, September 24, 2008 |

Inspector: Steve Demczak, Environmental Scientist IIIWeather: Sunny, 60'sInspectionID Report Number: 1795

Accepted by: jhelfric

11/10/2008

Permittee: **SAVAGE SERVICES CORP**Operator: **SAVAGE SERVICES CORP**Site: **SAVAGE COAL TERMINAL**Address: **6340 S 3000 E STE 600, SALT LAKE CITY UT 84121**County: **CARBON**Permit Type: **PERMANENT COAL PROGRAM**Permit Status: **ACTIVE**

Current Acreages

| | |
|--------|-----------------|
| 160.00 | Total Permitted |
| 122.28 | Total Disturbed |
| | Phase I |
| | Phase II |
| | Phase III |

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☐ Fee
☒ Other

Types of Operations

- ☒ Underground
☒ Surface
☒ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Division and the Permittee's representative, Mr. Dan Guy of Blackhawk Engineering Company, reviewed the 2007 Annual Report information (Task ID #3023) for the Savage Coal Terminal during today's inspection. The Permittee's representative concurred with the Division's analysis of the 2007 Annual Report document.

The Permittee has inserted the second quarter of 2008 surface and ground water monitoring information into the Division electronic data base pipeline for uploading. As of today's inspection, that information remains to be uploaded. The review of Task ID # 2955, Savage MRP update to R645 format is pending.

There are no pending compliance actions at this site.

Inspector's Signature:

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date

Monday, October 13, 2008

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | Evaluated | Not Applicable | Comment | Enforcement |
|--|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 1. Permits, Change, Transfer, Renewal, Sale | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. Signs and Markers | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Topsoil | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.a Hydrologic Balance: Diversions | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.b Hydrologic Balance: Sediment Ponds and Impoundments | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4.c Hydrologic Balance: Other Sediment Control Measures | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.d Hydrologic Balance: Water Monitoring | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4.e Hydrologic Balance: Effluent Limitations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. Explosives | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Disposal of Excess Spoil, Fills, Benches | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Coal Mine Waste, Refuse Piles, Impoundments | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Noncoal Waste | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Protection of Fish, Wildlife and Related Environmental Issues | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Slides and Other Damage | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Contemporaneous Reclamation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Backfilling And Grading | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Revegetation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Subsidence Control | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Cessation of Operations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.a Roads: Construction, Maintenance, Surfacing | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16.b Roads: Drainage Controls | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Other Transportation Facilities | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Support Facilities, Utility Installations | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 19. AVS Check | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 20. Air Quality Permit | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 21. Bonding and Insurance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 22. Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

1. Permits, Change, Transfer, Renewal, Sale

SPCC Plan was reviewed on 2/21/2006. The UPDES Permit will expire on April 30, 2013

3. Topsoil

The topsoil pile was inspected with no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

The diversion near the across from the office could use cleaning out. Dead wind blown weeds were next to the culvert inlet. Sediment has started to settle within the ditch. Permittee has committed in cleaning out the diversion.

4.c Hydrologic Balance: Other Sediment Control Measures

Several sediment and water holding ponds have been cleaned out. The material is placed on the coal piles or taken to the refuse piles. The ponds were inspected and certified on September 4, 2008. No hazardous conditions were reported.

4.d Hydrologic Balance: Water Monitoring

4.e Hydrologic Balance: Effluent Limitations

There was no discharge for the second quarter of 2008.

18. Support Facilities, Utility Installations

The permittee was cleaning the slurry pond during the inspection. No new construction was occurring during the inspection.

19. AVS Check

The 2007 Annual Report for the Savage Coal Terminal was reviewed by Division personnel on August 1, 2008. Appendix "C" of that document contains ownership and control information as submitted to the Utah Department of Commerce. That information appears to be complete and adequate.

21. Bonding and Insurance

The insurance accord form was updated and meets the R645 Coal Rule requirements. This policy will expire on 4/01/2009.